

## AIRPORTS

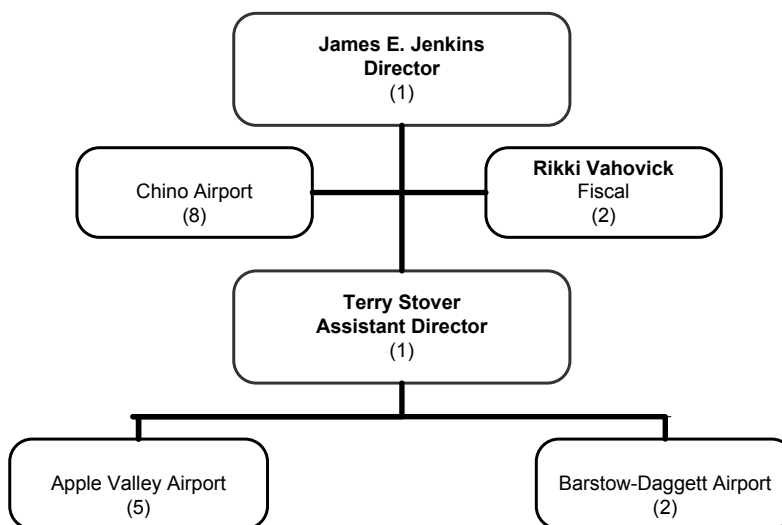
### James E. Jenkins

#### MISSION STATEMENT

*The Department of Airports plans, organizes and directs the County's airport and aviation system to provide high-quality aviation facilities and services in a safe and efficient manner, optimizing the benefit to the communities and citizens of the County.*



#### ORGANIZATIONAL CHART



#### 2010-11 AND 2011-12 ACCOMPLISHMENTS

- Received \$1,947,500 in grant funding for airfield lighting improvements at Barstow-Daggett Airport (Phase II).
- Commissioned design for new fuel storage and dispensing facility at Apple Valley Airport.
- Completed taxiway extension, airfield beacon and signage installations at Barstow-Daggett Airport (Phase I).



## GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

### GOAL 1: IMPROVE AIRPORT INFRASTRUCTURE.

**Objective:** *Implement plans to address deficiencies in Airport infrastructure.*

Measurement	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual	2012-13 Target
Percentage of pavement rehabilitation completed each year (total square footage of pavement is 15.7 million).	6.2%	4%	15%	2.5%	15%

The Department of Airports conducted a survey of its tenant and user base to measure the quality of customer service. The survey revealed that many airport users value well maintained pavements. Based upon these findings, the Department established a goal to improve airport infrastructure, with emphasis on rehabilitating or improving pavement surfaces (i.e. crackfilling, slurry seal, fogseal, striping, glass beading, edge dressing). The Departmental target is to improve or rehabilitate 15% of the 15,700,000 square feet of pavement surfaces each year throughout the 6 airport systems. The cost of these projects is expected to be funded primarily by the Federal Aviation Administration's Airport Capital Improvement Program (ACIP) and supplemented by the Department of Airports Capital Improvement Program budget. The 2010-11 targets were depressed by limited ACIP Program funding.

### GOAL 2: IMPROVE AIRPORT LEASING ACTIVITY.

**Objective:** *Increase percentage of revenue producing land as related to usable land throughout the 6 airport system.*

Measurement	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual	2012-13 Target
Percentage of revenue producing land compared to land available for revenue production.	39%	39%	50%	39%	40%

To generate new income for the airport system, the Department has established the objective to increase revenue through the use of property. The anticipated growth rate has been re-evaluated and a goal of 1% per annum for property development has been established as attainable. The prior year objective had a focus of increasing revenue producing land exclusively at Chino and Apple Valley airports. For 2012-13, the Department plans to pursue revenue producing land opportunities at all 6 airports.

## SUMMARY OF BUDGET UNITS

	2012-13				
	Appropriation	Revenue	Net County Cost	Fund Balance	Net Budget
<b>General Fund</b>					
Airports	2,799,545	2,799,545	0		19
Total General Fund	2,799,545	2,799,545	0		19
<b>Special Revenue Funds</b>					
Special Revenue Funds - Consolidated	5,020,567	3,274,877		1,745,690	0
Total Special Revenue Funds	5,020,567	3,274,877		1,745,690	0
<b>Enterprise Funds</b>					
*Apple Valley Airport - Operations (CSA 60)	5,260,044	2,232,398			(3,027,646)
*Apple Valley Airport - Cap. Improv (CSA 60)	1,417,437	515,000			(902,437)
Total Enterprise Funds	6,677,481	2,747,398			(3,930,083)
<b>Total - All Funds</b>	14,497,593	8,821,820	0	1,745,690	(3,930,083)

\*These budgets are located in the Special Districts budget book under General Districts (CSA 60)



**5-YEAR APPROPRIATION TREND**

	2008-09	2009-10	2010-11	2011-12	2012-13
Airports	2,767,147	2,678,516	3,088,478	2,886,349	2,799,545
Chino Airport Commercial Hangars	1,706,720	1,810,347	1,863,863	1,569,987	1,228,469
Chino Airport Incentive Fund	1,204,458	996,159	142,142	172,415	106,633
Airports Capital Improvement Program	41,226,919	5,844,131	8,063,335	4,886,535	3,685,465
Apple Valley Airport - Operations (CSA 60)	3,937,345	3,375,569	3,347,296	5,566,790	5,260,044
Apple Valley Airport - Cap. Improv (CSA 60)	5,922,425	6,104,400	6,564,764	5,360,429	4,817,437
<b>Total</b>	<b>56,765,014</b>	<b>20,809,122</b>	<b>23,069,878</b>	<b>20,442,505</b>	<b>17,897,593</b>

**5-YEAR REVENUE TREND**

	2008-09	2009-10	2010-11	2011-12	2012-13
Airports	2,767,147	2,678,516	3,088,478	2,886,349	2,799,545
Chino Airport Commercial Hangars	857,791	887,312	837,630	914,248	1,219,101
Chino Airport Incentive Fund	500,000	227,143	58,662	0	105,026
Airports Capital Improvement Program	36,214,687	1,157,519	4,806,196	925,375	1,950,750
Apple Valley Airport - Operations (CSA 60)	2,689,552	2,377,776	2,652,261	3,716,654	2,232,398
Apple Valley Airport - Cap. Improv (CSA 60)	2,540,513	2,797,488	46,038	(905,155)	515,000
<b>Total</b>	<b>45,569,690</b>	<b>10,125,754</b>	<b>11,489,265</b>	<b>7,537,471</b>	<b>8,821,820</b>

**5-YEAR NET COUNTY COST TREND**

	2008-09	2009-10	2010-11	2011-12	2012-13
Airports	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**5-YEAR FUND BALANCE TREND**

	2008-09	2009-10	2010-11	2011-12	2012-13
Chino Airport Commercial Hangars	848,929	923,035	1,026,233	655,739	9,368
Chino Airport Incentive Fund	704,458	769,016	83,480	172,415	1,607
Airports Capital Improvement Program	5,012,232	4,686,612	3,257,139	3,961,160	1,734,715
<b>Total</b>	<b>6,565,619</b>	<b>6,378,663</b>	<b>4,366,852</b>	<b>4,789,314</b>	<b>1,745,690</b>

**5-YEAR NET BUDGET TREND**

	2008-09	2009-10	2010-11	2011-12	2012-13
Apple Valley Airport - Operations (CSA 60)	(1,247,793)	(997,793)	(695,035)	(1,850,136)	(3,027,646)
Apple Valley Airport - Cap. Improv (CSA 60)	(3,381,912)	(3,306,912)	(6,518,726)	(6,265,584)	(4,302,437)
<b>Total</b>	<b>(4,629,705)</b>	<b>(4,304,705)</b>	<b>(7,213,761)</b>	<b>(8,115,720)</b>	<b>(7,330,083)</b>

*Note: Beginning in fiscal year 2012-13, Capital Expenditures have been included and Depreciation has been excluded in appropriation in enterprise and internal service funds for budgetary purposes. In the table above, prior years have been restated for consistency.*



## Airports

### DESCRIPTION OF MAJOR SERVICES

The Department of Airports (Department) provides for the management, development, maintenance and operation of six airports. The Department assures that County airports are maintained and operated in compliance with state and federal regulations. The Department works cooperatively with other airports located within the county regarding state and federal aviation programs, issues and requirements. The Department participates and provides input to aviation industry support organizations, as necessary, to develop local, national and state aviation policy.

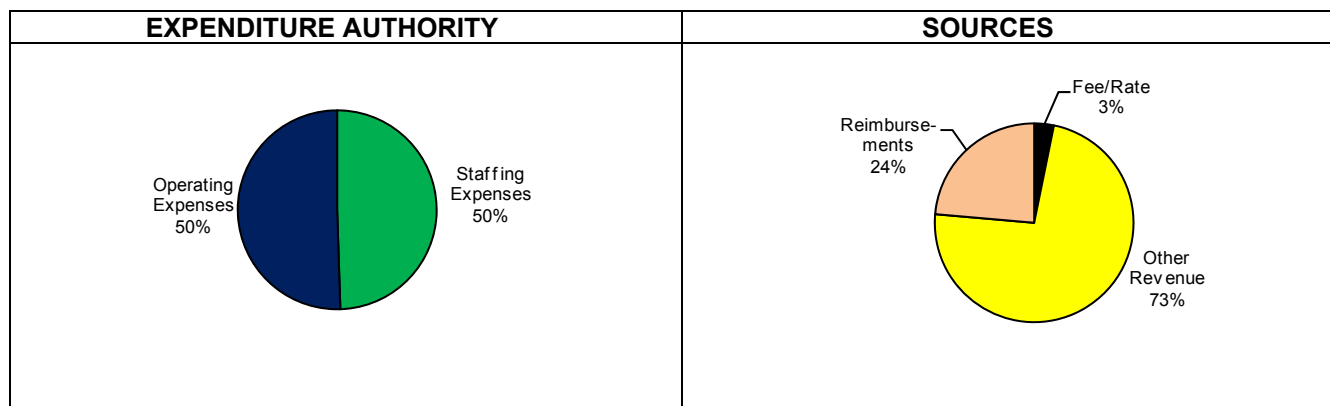
#### Budget at a Glance

Total Expenditure Authority	\$3,665,077
Total Sources	\$3,665,077
Net County Cost	\$0
Total Staff	19
Funded by Net County Cost	0%

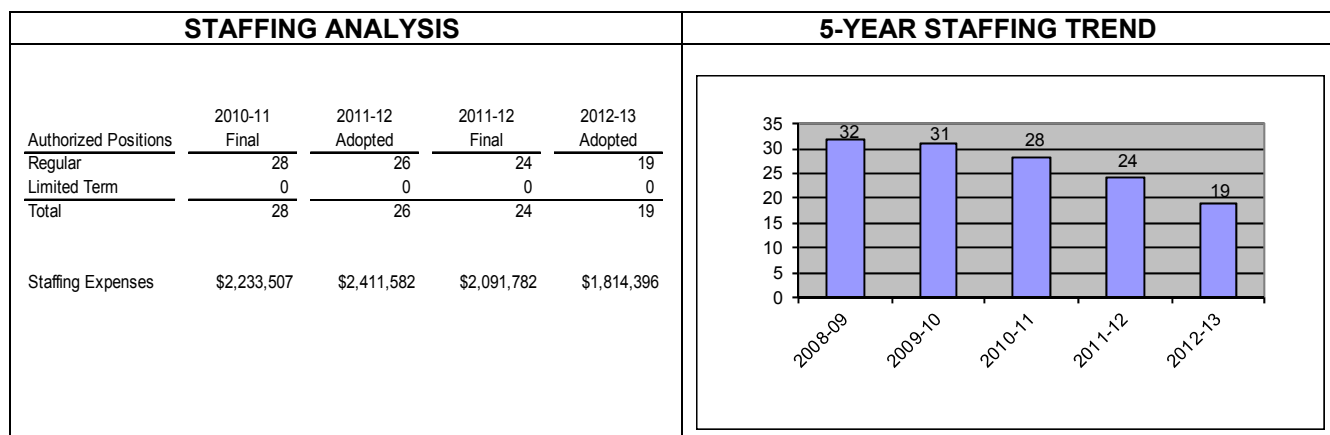
The County's six airports include 1) Apple Valley Airport, a County Service Area (CSA-60) with a significant sport aviation base; 2) Baker Airport, located adjacent to the Town of Baker and supports 1-40 between Barstow and Las Vegas; 3) Barstow-Daggett Airport, which features significant military activity and the Fort Irwin Helicopter Maintenance Base, both of which support the Fort Irwin National Training Center; 4) Chino Airport, a Federal Aviation Administration (FAA) designated reliever to John Wayne Airport and one of the largest general aviation airports in the country with approximately 650 based aircraft; 5) Needles Airport, a critical transportation link along the Colorado River; and 6) Twentynine Palms Airport, a center for soaring activity serving the surrounding community, including the United States Marine Corps Air-Ground Combat Center.

The County's airports produce revenue to operate and maintain the airport system. Revenues are generated from facility rents, concession and user fees, and, in the case of Apple Valley Airport, property taxes dedicated to the support of CSA-60. State and federal grants are significant sources for funds to construct, improve and maintain airport infrastructure.

### 2012-13 ADOPTED BUDGET



### BUDGETED STAFFING



## ANALYSIS OF 2012-13 ADOPTED BUDGET

GROUP: Operations and Community Services  
DEPARTMENT: Airports  
FUND: General

BUDGET UNIT: AAA APT  
FUNCTION: Public Ways and Facilities  
ACTIVITY: Transportation Terminals

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2011-12 Final Budget	2012-13 Adopted Budget	Change From 2011-12 Final Budget
<b>Appropriation</b>							
Staffing Expenses	2,378,505	2,235,518	2,233,507	2,091,771	2,091,782	1,814,396	(277,386)
Operating Expenses	1,187,268	1,165,200	1,325,493	2,004,137	2,005,857	1,850,681	(155,176)
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	3,565,773	3,400,718	3,559,000	4,095,908	4,097,639	3,665,077	(432,562)
Reimbursements	(923,359)	(807,558)	(859,932)	(1,227,613)	(1,230,290)	(865,532)	364,758
Total Appropriation	2,642,414	2,593,160	2,699,068	2,868,295	2,867,349	2,799,545	(67,804)
Operating Transfers Out	206,500	85,356	335,210	19,000	19,000	0	(19,000)
Total Requirements	2,848,914	2,678,516	3,034,278	2,887,295	2,886,349	2,799,545	(86,804)
<b>Departmental Revenue</b>							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	40,000	0	80,000	58,519	59,000	0	(59,000)
Fee/Rate	182,191	176,245	160,214	176,850	176,225	117,000	(59,225)
Other Revenue	2,628,936	2,422,677	2,849,265	2,649,144	2,651,124	2,682,545	31,421
Total Revenue	2,851,127	2,598,922	3,089,479	2,884,513	2,886,349	2,799,545	(86,804)
Operating Transfers In	1,000	81,563	0	0	0	0	0
Total Sources	2,852,127	2,680,485	3,089,479	2,884,513	2,886,349	2,799,545	(86,804)
Net County Cost	(3,213)	(1,969)	(55,201)	2,782	0	0	0
Budgeted Staffing					24	19	(5)

## BUDGET CHANGES AND OPERATIONAL IMPACT

Major changes for the Department include a reorganization of the staff structure resulting in a reduction in staffing expenses due to the elimination of 4 positions and 1 position will be transferred to Special Districts. Additionally operating expenses are decreasing as a result of a decrease in regulatory water system oversight and maintenance charges at Barstow-Daggett Airport and contract security services at Chino Airport. Reimbursements include a decrease due to a reduction in salary/benefit transfers in from the Apple Valley Airport (CSA 60) budget and the Chino Airport Commercial Hangars budget. Departmental revenue is decreasing because of grant revenue not anticipated in 2012-13 and with respect to fees/rates primarily due to lower fuel flowage revenue as anticipated by the current trend of reduced annual take-offs and landings throughout the system of airports.

## MAJOR EXPENDITURES AND REVENUE INCLUDED IN 2012-13 ADOPTED BUDGET

Staffing expenses of \$1,814,396 fund 19 positions that provide support for the operation of 6 airports throughout the County. Operating expenses of \$1,850,681 consist primarily of services and supplies of \$1,604,981 that are necessary to keep airport operations at an acceptable level. These expenses include utilities, property insurance, other professional services, general maintenance, and Countywide Cost Allocation Plan (COWCAP). Departmental revenue of \$2,799,545 primarily represents Rents and Concessions receipts at the Airports.



## STAFFING CHANGES AND OPERATIONAL IMPACT

Restructuring of the Departments' organizational function and programmatic responsibilities has resulted in a reduction of 4 vacant positions (Airport Manager - Chino, Airport Manager – Apple Valley, Airport Maintenance Supervisor, Airport Maintenance Worker II) and 1 position transferring to Special Districts (Planner III).

There are no negative operational impacts expected as a result of the restructuring. There has been a significant reduction in operational responsibilities at the Barstow-Daggett Airport relative to closing 17 rental houses. Planner III services will be acquired through an MOU with Special Districts. The Apple Valley and Chino Airport management duties/responsibilities will be undertaken by the Director and Assistant Director of Airports.

## 2012-13 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Administration	4	0	4	4	0	0	4
Chino Airport	8	0	8	8	0	0	8
Apple Valley Airport	5	0	5	5	0	0	5
Barstow-Daggett Airport	2	0	2	2	0	0	2
Total	19	0	19	19	0	0	19

Administration		Chino Airport		Apple Valley Airport	
<u>Classification</u>		<u>Classification</u>		<u>Classification</u>	
1	Director of Airports	1	Airport Maintenance Supervisor	1	Airport Maintenance Supervisor
1	Assistant Director of Airports	5	Airport Maintenance Worker I	1	Airport Maintenance Worker II
1	Staff Analyst II	1	Fiscal Assistant	2	Airport Maintenance Worker I
1	Fiscal Assistant	1	Secretary I	1	Secretary I
4	Total	8	Total	5	Total
Barstow-Daggett Airport					
<u>Classification</u>					
2	Airport Maintenance Worker I				
2	Total				



## Special Revenue Funds - Consolidated

### DESCRIPTION OF MAJOR SERVICES

**Chino Airport Commercial Hangars** complex was constructed in 1987 with proceeds from a 30-year bond issue. The Department of Airports manages, maintains, and operates the Chino Airport Commercial Hangar complex. In addition to maintenance expenses, appropriation is budgeted annually for insurance costs and bond repayment. Appropriations for this budget unit are funded from rental revenues and available fund balance. There is no staffing associated with this budget unit. However, this budget unit reimburses staffing costs to the Airport's general fund budget unit.

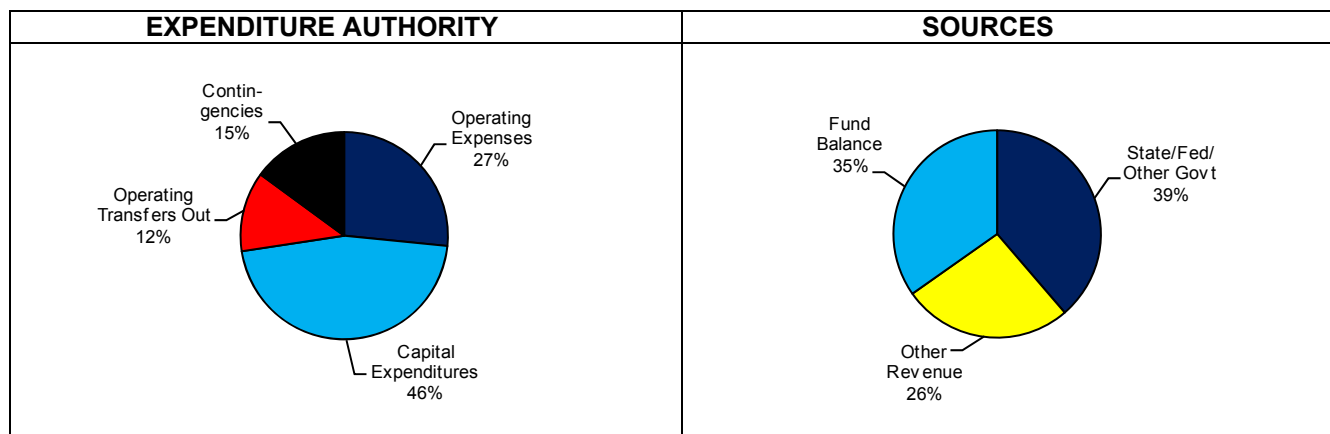
#### Budget at a Glance

Total Expenditure Authority	\$5,020,567
Total Sources	\$3,274,877
Fund Balance	\$1,745,690
Total Staff	0

**Chino Airport Incentive Fund** was established mid-year in 2007-08 to provide separate accountability for all costs and revenues related to the objective of attracting and retaining businesses at Chino Airport. This fund is anticipated to be fully expended in 2012-13, or have a small residual at fiscal year-end. There is no staffing associated with this budget unit

**Airports Capital Improvement Program** consists of various Capital Improvement Program (CIP) projects for the following airports: Baker Airport, Barstow-Daggett Airport, Chino Airport, Needles Airport, and Twentynine Palms Airport. Projects funded in this budget unit include utility, storm water, and fire suppression plans, Airport Master Plans, Airport Layout Plans, construction and rehabilitation for numerous runways, taxiways, water systems, airport facilities, annual pavement maintenance, infrastructure and rehabilitation of reverted buildings. The capital projects for Apple Valley Airport (County Service Area 60) are budgeted in a separate budget unit in a separate budget book. All Capital Improvement Projects for all six airports that are administered by Architecture and Engineering are reported in the Capital Improvement Program section of this budget book.

### 2012-13 ADOPTED BUDGET



## ANALYSIS OF 2012-13 ADOPTED BUDGET

GROUP: Operations and Community Services  
 DEPARTMENT: Airports  
 FUND: Special Revenue Funds - Consolidated

BUDGET UNIT: Various  
 FUNCTION: Public Ways and Facilities  
 ACTIVITY: Public Ways

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2011-12 Final Budget	2012-13 Adopted Budget	Change From 2011-12 Final Budget
<b>Appropriation</b>							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	899,752	1,331,273	1,700,659	1,416,177	1,747,165	1,335,102	(412,063)
Capital Expenditures	1,965,720	2,654,785	3,536,343	2,925,116	2,935,000	2,309,349	(625,651)
Contingencies	0	0	0	0	1,502,505	750,971	(751,534)
Total Exp Authority	2,865,472	3,986,058	5,237,002	4,341,293	6,184,670	4,395,422	(1,789,248)
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	2,865,472	3,986,058	5,237,002	4,341,293	6,184,670	4,395,422	(1,789,248)
Operating Transfers Out	1,000	405,000	234,000	442,100	444,267	625,145	180,878
Total Requirements	2,866,472	4,391,058	5,471,002	4,783,393	6,628,937	5,020,567	(1,608,370)
<b>Departmental Revenue</b>							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	119,526	947,950	4,201,216	909,730	915,375	1,942,750	1,027,375
Fee/Rate	961,533	0	4,536	0	0	0	0
Other Revenue	859,201	996,283	937,734	587,260	724,248	591,396	(132,852)
Total Revenue	1,940,260	1,944,233	5,143,486	1,496,990	1,639,623	2,534,146	894,523
Operating Transfers In	706,500	285,356	596,210	221,100	200,000	740,731	540,731
Total Sources	2,646,760	2,229,589	5,739,696	1,718,090	1,839,623	3,274,877	1,435,254
Fund Balance					4,789,314	1,745,690	(3,043,624)
Budgeted Staffing					0	0	0

## BUDGET CHANGES AND OPERATIONAL IMPACT

**Consolidated Special Revenue Funds** are decreasing appropriation by a net \$1.6 million and increasing departmental revenue by \$1.4 million. This is due primarily to a restructuring of the capital improvement program (operating expenses and capital expenditures), with an emphasis placed upon planning and budgeting only for projects that can be reasonably undertaken during the fiscal period, and a reduction in contingencies due to a timing issue related to a contract encumbrance. A portion of the unprogrammed airport capital improvement fund is being utilized to satisfy the bond payment obligation for the Chino Airport Commercial Hangars for 2012-13 and subsequent years until the obligation is fully satisfied. The increase of state/federal funding is the result of capital improvement program revenue budgeting to match projects for this fiscal year, and the reduction in other revenue is primarily due to non-payment of lease obligations by tenants at the Chino Commercial Hangar complex.

## DETAIL OF 2012-13 ADOPTED BUDGET

	2012-13			
	Appropriation	Revenue	Fund Balance	Staffing
<b>Special Revenue Funds</b>				
Chino Airport Commercial Hangars	1,228,469	1,219,101	9,368	0
Chino Airport Incentive Fund	106,633	105,026	1,607	0
Airports Capital Improvement Program	3,685,465	1,950,750	1,734,715	0
Total Special Revenue Funds	5,020,567	3,274,877	1,745,690	0





**Chino Airport Commercial Hangars** has \$1.2 million in appropriation for operating expenses, which primarily includes transfers of \$856,253 for the bond payment and services and supplies of \$133,221 for operations. Revenue of \$1.2 million is primarily from Rents and Concessions receipts from commercial tenants of \$583,396 with a transfer in from the airport capital improvement program fund (RAA-APT) of \$635,705 to fund current services. It should be noted that the Chino Airport Commercial Hangars, if fully occupied at the current market lease rate, will not generate adequate revenues to fully fund the operations, maintenance and bond obligation expenses through the bond payment period.

**Chino Airport Incentive Fund** has \$106,633 in appropriation in operating expenses for services and supplies which is primarily for the completion of the Chino Airport Master Plan contract. Revenue of \$105,026 is a transfer in from the airport capital improvement program reserve (RCD-APT) to fund current services. This fund is anticipated to be fully expended in 2012-13, or have a small residual at fiscal year-end.

**Airports Capital Improvement Program** has \$3.7 million in appropriation which includes \$2.3 million in capital expenditures for the installation of monitoring wells associated with the groundwater plume at Chino Airport for \$165,000, pavement rehabilitation project at Chino Airport for \$135,000, lighting improvement project at Barstow-Daggett Airport for \$1,858,228, and \$151,121 for the groundwater cleanup project administration costs at Chino Airport. Additionally, \$0.7 million are budgeted in contingencies to fund future airport capital improvement projects. Operating transfers out of \$625,145 will assist with funding the bond payment within the Chino Airport Commercial Hangars budget and the Chino Airport Master Plan within the Chino Airport Incentive Fund. Revenue of \$1.9 million is primarily from State and Federal grants for the Barstow-Daggett lighting project.

